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SUBJECT: BANK WORKERS ISSUE PRE-NOTIFICATION OF INTENT TO STRIKE

¶1. (U) On November 14, a union of private bank employees issued a pre-notification of intent to strike. In compliance with local law, the union must provide employers with a 10 day notice before commencing strike activity. If the union's demands are not satisfactorily addressed, the union may initiate a strike after November 26. The largest banks operating in Guinea are BICIGUI, Ecobank, and SGBC (Societe General des Bancs en Guinee). The Government of Guinea owns a minority of shares in SGBC.

¶2. (U) According to a union contact, bank employees have been negotiating with bank management for more than a month, but without success. The union is reportedly seeking salary increases and benefits that would make the local compensation package equitable to those of other banks in the West African sub-region. In addition, the union is requesting increases in basic allowances.

¶3. (SBU) Union representatives said that Guinean banks are affiliated with parent banks overseas, as are other banks in the sub-region. They argue that Guinean bank employees fulfill the same duties and attain similar results, but are paid significantly less than colleagues in neighboring countries. The union demanded a 100% increase in base salaries, but the banks offered a three per cent raise. Bank employees refused to accept the offer. Bank managers categorically stated that the banks would not offer more than a 10% increase. Bank employees again refused, saying they would accept nothing less than a 50% increase. The resulting impasse prompted the union to file the pre-notification of intent to strike.

¶4. (U) Guinea's Central Bank is facilitating negotiations between the union and the banks.

COMMENT

¶5. (U) The union of bank employees has successfully conducted labor strikes several times in the past and generally obtained salary and allowance increases as a result, although perhaps not at the level initially sought. Past bank strikes have been peaceful, but short-lived since they have an almost immediate negative impact on local business operations. This union threat comes on the heels of a teachers' strike in June and a health workers' strike in August. END COMMENT.
RASPOLIC